

Coins Tokens Checks and

1913

<p>TO BE FILLED IN BY COLLECTOR.</p> <p>List No.</p> <p>..... District of</p> <p>Date Received</p>	<p>Form 1040 INCOME TAX THE PENALTY FOR FAILURE TO HAVE THIS RETURN IN THE HANDS OF THE COLLECTOR OF INTERNAL REVENUE ON OR BEFORE MARCH 1 IS \$20 TO \$1,000 (SEE INSTRUCTIONS ON PAGE 4)</p> <p>UNITED STATES INTERNAL REVENUE.</p>	<p>TO BE FILLED IN BY INTERNAL REVENUE BUREAU</p> <p>File No.</p> <p>Assessment List.</p> <p>Page Line</p>
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RETURN OF ANNUAL NET INCOME OF INDIVIDUALS.

(As provided by Act of Congress, approved October 3, 1912.)

RETURN OF NET INCOME RECEIVED OR ACCRUED DURING THE YEAR ENDED DECEMBER 31, 191....

(FOR THE YEAR 1913, FROM MARCH 1, 10 DECEMBER 31.)

Filed by (or for) of
(full name of individual) (Street and No.)

in the City, Town, or Post Office of State of
(fill in pages 2 and 3 before making entries below)

1. GROSS INCOME (see page 2, line 12)	\$				
2. GENERAL DEDUCTIONS (see page 3, line 7)	\$				
3. NET INCOME	\$				
Deductions and exemptions allowed in computing income subject to the normal tax of 1 per cent					
4. Dividends and net earnings received or accrued, of corporations, etc. subject to like tax. (See page 2, line 11)	\$				
5. Amount of income on which the normal tax has been deducted and withheld at the source. (See page 2, line 9, column A)					
6. Specific exemptions of \$3,000 or \$4,000, as the case may be. (See Instructions 3 and 19)					
Total deductions and exemptions: (Items 4, 5, and 6)					
7. TAXABLE INCOME on which the normal tax of 1 per cent is to be calculated. (See Instruction 3)	\$				
8. When the net income shown above on line 3 exceeds \$20,000, the additional tax thereon must be calculated as per schedule below:					
	INCOME			TAX	
1 per cent on amount over \$20,000 and not exceeding \$50,000	\$			\$	
2 " " 50,000 " " 75,000					
3 " " 75,000 " " 100,000					
4 " " 100,000 " " 250,000					
5 " " 250,000 " " 500,000					
6 " " 500,000					
Total additional or super tax	\$			\$	
Total normal tax (1 per cent of amount entered on line 7)	\$			\$	
Total tax liability	\$			\$	

By Gerald Tebben



George Harrison visits Gerald Ford at the White House in 1974.

Taxman

**If you drive a car, I'll tax the street
If you try to sit, I'll tax your seat
If you get too cold I'll tax the heat
If you take a walk, I'll tax your feet**

Taxman!

Cos I'm the taxman, yeah I'm the taxman

George Harrison's 1966 song was a rock 'n' roll protest against England's confiscatory 95 percent tax rate on high-income individuals, especially musicians. With April 15 fast approaching the song is the theme of the season.

Everything the late Beatle mentioned in his song almost 60 years ago is subject to taxation in the United States today. Sales and use taxes are levied on cars, roads, chairs, fuel and shoes. Politicians leave few stones unturned in their quest for new sources of revenue.

This booklet, adopted from my *Coin World* blog "Five Facts" discusses five numismatic tax touchstones dating back to antiquity. Some are amusing. Some are titillating. Hopefully all are interesting.



The insult of the Jewish tax



Before Rome conquered Judea in 70 AD, Jews paid a tax of a silver half shekel to the temple each year. In 71 AD, Emperor Vespasian ordered that the Jewish tax – *fiscus iudaicus* - continue to be collected but for the benefit of Rome, not the destroyed temple.

Rome's tax collectors were brutal in their methods and despised for their profession. To determine if a man was Jewish and thus subject to the tax, tax collectors were known for ordering Jews to disrobe, often in public places.

Historian Suetonius noted, "Besides other taxes, that on the Jews was levied with the utmost rigor ... I recall being present in my youth when the person of a man 90 years old was examined before the procurator and a very crowded court, to see whether he was circumcised. "

After assuming the throne in 96, the Emperor Nerva issued a sestertertius – a large bronze coin about the size of a half dollar – that showed his portrait on the obverse and a palm tree on the back. The legend *FISCI IUDAEICI CALVMNIA SVBLATA* surrounds the palm.

The legend translates as "The insult of the Jewish tax has been removed."

What that means, through, is open to interpretation.

In his *Guide to Biblical Coins*, David Hendin, writes, "Nerva instituted an extensive series of popular changes, one of which was the abolition of the insulting method of collecting the Jewish tax. The tax itself was not revoked, only the degrading method of collecting it. To proclaim his benevolence, Nerva ordered a coin to be issued."

However, David Vagi, author of *Coinage and History of the Roman Empire* believes the Romans weren't being nice at all.

Rome redirected the tax from the Jew's Jerusalem temple to Rome's Temple of Jupiter Optimus Maximus Capitolinus. When the tax was collected for the Jews, Vagi contends, it was an "insult" to Rome. Nerva's coin celebrates the removal of that insult.

Lady Godiva's naked ride for tax freedom

Seventeen a beauty queen
She made a ride that caused a scene
In the town

Her long blonde hair
Hangin' down around her knees
All the cats who dig striptease
Prayin' for a little breeze
Her long blonde hair
Falling down across her arms
Hiding all the lady's charms

Lady Godiva

Peter and Gordon's 1966 chart topper celebrates the world's most famous tax protest, the fabled and likely fictitious 11th century ride of Lady Godiva, wife of Leofric, Earl of Mercia in Anglo-Saxon England.

The story of the lady's naked ride was first recorded in Roger of Wendover's 13th century book *Flores Historiarum* or Flowers of History.

The tale has been embellished over the centuries, but the plot remains the same: Leofric refuses Godiva's entreaties to lower the taxes on the oppressed residents of Coventry. One day, through, Leofric gives in, saying he'll cut taxes if she rides naked through the town at midday.

In a report on the historic person, the BBC wrote, "The rest of the story is not documented at all, but it is said that so great was her compassion for the people of Coventry that Godiva overcame her horror of doing this. She ordered the people to remain indoors with their windows and doors barred. Loosening her long hair to cover her as a cloak, she mounted her waiting horse.

"Then she rode through the silent streets unseen by the people, who had obeyed her command because of their respect for her."

Lady Godiva appeared on a privately minted 1792 - 1794 half penny token issued during Great Britain's Condor token craze of the late 1700s. The token shows the nude equestrian on one side along with the date and the legend PRO BONO PUBLICO, a wording with a double meaning on this piece.

With small change in short supply, private mints struck hundreds of trade tokens, often with imaginative designs. The legend PRO BONO PUBLICO appears on many Condor tokens, meaning that they were struck for the public good. Lady Godiva's ride, too, was for the public good.

The other side of the Godiva token shows Coventry's symbol - an elephant with a castle turret in place of a saddle - and the legend COVENTRY HALF-PENNY. The edge says where it was payable and by whom.

Circulated examples are common and generally sell for \$50 or less.



Peter the Great's beard tax



Taxes serve three purposes: raise money for government functions, encourage activities (such as tax credits for energy efficient furnaces) and discourage activities (think cigarette taxes.)

In 1705, Russian Czar Peter the Great instituted a tax on beards as part of this plan to modernize and westernize his backward country.

Peasants and clerics were exempt, but everyone else who wanted to wear a beard had to pay an annual fee and carry a medal as proof of payment. The first medals were round affairs showing a nose, mustache and beard on one side and the imperial eagle on the reverse. Later issues were diamond shaped and dropped the images but bore the legend, "The beard is an unnecessary burden."

Randolph Zander, writing in *The Numismatist* ("Russian Beard Tokens," December 1948), noted: "The law provided for checkpoints at the entrance to towns, where officials would deny passage to any bearded person who could not produce a beard token. In addition, law enforcement agencies were enjoined to arrest and fine bewhiskered individuals on sight if they carried no beard license."

The tax was collected from 1705 to 1772. It was levied according to rank, topping out at 100 rubles for wealthy merchants.

Beard tax tokens are prized by collectors, partly for their novelty and partly for their sheer ridiculousness. They are scarce and often sell for thousands of dollars when they appear at auction.

Tax tokens - change for a penny



Sales taxes, a regressive form of taxation enjoying new popularity among tax hikers across the country, owe their birth to the Great Depression. As income and therefore income tax receipts fell in the early 1930s, state after state turned to consumption taxes.

A problem, though, quickly developed. While a 1 percent tax on a \$1 purchase worked out to an even cent, no smaller coin was available for the tax on amounts of less than \$1.

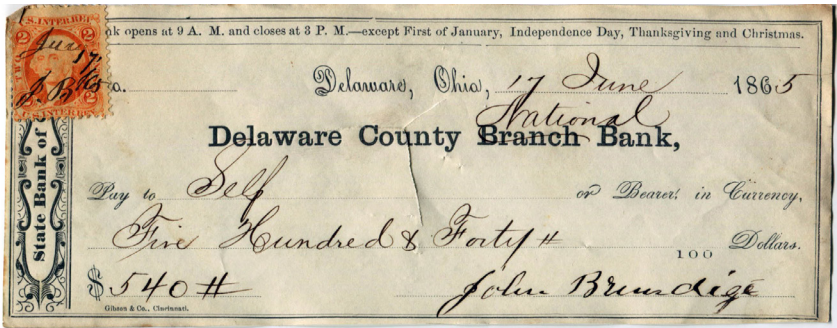
To avoid overcharging people, 12 states - Alabama, Arizona, Colorado, Illinois, Kansas, Louisiana, Mississippi, Missouri, New Mexico, Oklahoma, Utah and Washington - issued their own tokens in denominations as small as 1/10th of a cent to make change.

The tokens – tiny in size and tiny in value – proved to be too much of a bother. Most states discontinued their usage before World War II, though Missouri tokens lasted into the early 1960s.

The tokens tend to be simple affairs – often with just the state's name and denomination. New Mexico's are noteworthy in that they show a saguaro cactus. Sales tax tokens were made in fiber, plastic, aluminum, zinc and bronze and were often holed.

The tokens are avidly sought after by a small group of collectors – many of whom are members of the American Tax Token Society. Sales tax tokens tend to be junk box material, often selling for a dime or so. Rare varieties, though, have sold for as much as \$500.

Bank check taxes



With the nation at war with itself, the United States government shook every tree it could find to raise money to prosecute the Civil War. It issued paper money that was backed by nothing more than the government's full faith and taxed everything it could.

The newly created Internal Revenue Service taxed mortgages, bonds, contracts, bank checks and a host of other documents.

The initial bank check tax, instituted in 1862, was 2 cents on checks drawn for \$20.01 and more. Tax dodgers quickly figured out that if they wrote a bunch of \$20 checks instead of one big one they could avoid the tax.

The government wised up in 1864 and applied the tax to all checks.

For decades checks bore stamps that looked much like postal stamps. Most stamps on 19th century checks are specially issued BANK CHECK stamps. But in the early years, when the government was not able to provide enough of the special check stamps, general U.S. Internal Revenue stamps were OK. The stamps were "canceled" by being written on in ink so they could not be reused.

Philatelists have studied the 19th century revenue stamps extensively, but few people collect them. Despite their great history and Civil War connection canceled bank check stamps tend to catalog for 50 cents or less.

For check collectors, the stamps add a bit of sparkle, but a check's primary value comes from who signed it, what's pictured on it, which bank it was drawn on and where it was issued.

This booklet is based on the Five Facts blog that appeared on CoinWorld.com in March and April, 2015.